

EXECUTIVE OFFICE OF THE PRESIDENT
NATIONAL SECURITY COUNCIL
WASHINGTON

ER 7-7163

December 13, 1955

MEMORANDUM FOR THE NATIONAL SECURITY COUNCIL

SUBJECT: Statement by the President

REFERENCE: NSC Action No. 1491

The National Security Council, the Secretary of the Treasury, the Special Assistant to the President on Disarmament, and the Director, Bureau of the Budget, at the 270th Council meeting on December 8, 1955 (NSC Action No. 1491):

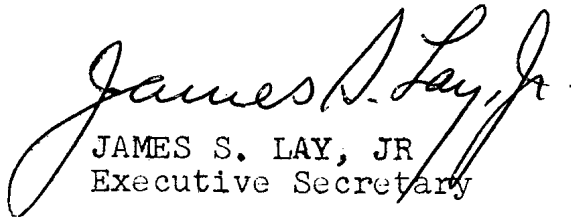
Noted the following statement by the President:

Budget-making time is always difficult and expenses are mounting. Nevertheless, no official of this Government is truly performing his duty unless he clearly realizes that he is engaged in defending a way of life over a prolonged period and unless he is constantly aware of the weight of financial burden that our citizens are willing and able to bear. Our Government could force upon our citizens defense and other spending at much higher levels, and our abundant economy could stand it - for a while; but you cannot do it for the long pull without destroying incentives, inflating the currency, and increasing government controls. This would require an authoritarian system of government, and destroy the health of our free society.

We must, of course, do what we must do to defend ourselves. We must not put dollars above the security of the United States. But we must prove, if we are to demonstrate the superiority of our system, that in times of unprecedented prosperity we can pay as we go without passing on intolerable burdens to coming generations.

Consequently, every official of this Government must search out places where we can save a dollar which could be used somewhere else where its contribution would be vital. This issue is critical. This doctrine should be remembered and preached in every waking hour by every official in this Administration.

Accordingly the above action, as approved this date by the President, is circulated herewith for information and guidance.


JAMES S. LAY, JR
Executive Secretary

cc: The Secretary of the Treasury
The Attorney General
The Special Assistant to the
President on Disarmament
The Special Assistant to the
President for Atomic Energy
The Director, Bureau of the Budget
The Federal Civil Defense Administrator
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence